

**Listing of Claims:**

This listing of claims replaces all previous versions and listings of claims.

1. (currently amended) A method of a lending institution funding a pool of loans, with one or more insurers, the pool of loans having associated therewith a first rating or no rating, an aggregate amount and a first loss, the method comprising:

the lending institution assuming risk of the first loss by providing a first loss financial guaranty, the first loss being a percentage of the aggregate amount of the pool of loans;

the lending institution transferring the loans to an entity that secures insurance for the loans from the insurers, and transferring a risk of loss other than the first loss to the insurers, the entity having a second rating greater than the first rating ~~or no rating~~ and securing proceeds based on the pool of loans and its second rating;

the proceeds in an amount greater than that which the lending institution could secure due to the second rating being greater than the first rating or no rating;

the lending institution receiving the proceeds from the entity in return for transferring the loans to the entity; **and**

the lending institution funding the loans using the proceeds;

maintaining an electronic database on a computer having memory; and

storing information about the loans in the database.

2. (previously presented) A method as recited by claim 1, wherein the lending institution comprises a lender and a reinsurer, and wherein the financial guaranty is reinsurance provided by the reinsurer, and wherein the pool of loans is a pool of loans of the lender.

3. (previously presented) A method as recited by claim 1, wherein the lending institution comprises a lender and a reinsurer, and wherein the financial guaranty is reinsurance provided by the reinsurer, and wherein the pool of loans is a pool of loans of a third party.

4. (cancelled)
5. (previously presented) A method as recited by claim 1, wherein the entity that secures insurance for the loans from the insurers issues a note to obtain funding for the loan, and wherein the note is insured by the insurance company.
6. (original) A method as recited by claim 5, wherein the entity comprises a bankruptcy-remote entity and a trust.
7. (previously presented) A method as recited by claim 5, wherein the lending institution comprises a lender and a reinsurer, and wherein the financial guaranty is reinsurance provided by the reinsurer, and wherein the pool of loans is a pool of loans of the lender.
8. (previously presented) A method as recited by claim 5, wherein the lending institution comprises a lender and a reinsurer, and wherein the financial guaranty is reinsurance provided by the reinsurer, and wherein the pool of loans is a pool of loans of a third party.
- 9-26. (cancelled)